a. 18 cargo ships are to be constructed for foreign trade in the Wismar and Warnemunde shipyards in the years 1951-1955 as follows:

Year	Wismar S	Shipyard	Warnemunde	Shipyard
	Type I 1,000 GRT	Type II 3,000 GRT	Type III 5,000 GRT	Type IV 8,000 GRT
1951	wh	-	_	
1952	-	• · · · · · · · · · · · · · · · · · · ·	<del>-</del>	
1953	. 3	1	1	<b>-</b>
1954	3	ı	<del>, -</del>	. 1
2.955	: <b>3</b>	3	1	1
Total	9	5	2	2

#### b. Cost of Production

The estimated cost of production per ship is as follows:

9 Type I (1,000 GRT) 1,000 TDM per ship 5 " II (3,000 GRT) 2,000 TDM " " 2 " III (5,000 GRT) 8,000 TDM " " 2 " IV (8,000 GRT) 8,000 TDM " "

Total cost 61,000 TDM

Document No. No Change In Class. CONFIDENTIAL Declassified CLASSIFICATION Class. Changed Tol LV NSRB DISTRIBUTION X MAVY STATE Auth.t X AIR X FBI Ву ARMY Date: \_8\_SEP\_1978 50X1-HUM

# CONFERENCE - U.S. OFFICIALS ONLY

#### CENTRAL INTELLIGENCE AGENCY

50X1-HUM

**-2**-

#### 2. Five-year plan

a. 20 cargo vessels are to be built as follows:

	Type I 1,100 GRT	Type II 2,200 GRT	Type III 4,500 GRT	Type IV 6,500 GRT
1951	•	-	•	-
1952		-	. <del>-</del>	
1953	3	1	1	•
1954	3	1	1	1.
1955	Ţŧ	3	1	1
Total	10	5	3	2

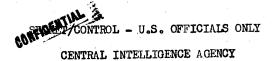
b. The estimated cost of production every year under this scheme is as follows:

	Type I	Type II	Type III	Type IV	Sum
1951	1,500	•	1,400	•	2,900 TDM
1952	9,100	2,800	7,500	3 <b>,2</b> 00	22,600 TDM
1953	7.700	9,000	10,000	11,000	37,700 TDM
1954	8,000	10,900	9,000	15,700	43,600 TDM
1955	3,700	7,300	5,900	8,000	21,900 TDM
	30,000	30,000	33,800	37,900	131,700 TDM

c. The cost per ship in TDM, according to the estimate of costs

50X1-HUM

Туре	I	Type II	Type III	Type IV	
lst shi	p 3,750	7,500	13,000	19,900	
2nd "	3,750	6,500	11,000	18,000	
3rd "	3,350	5,900	9,800		
hth "	3,350	5 <b>,2</b> 00			
5th "	2,900	4,800	,		
6 <b>t</b> h "	2,900				
7th "	2,600				
8th "	<b>2,60</b> 0				
9th "	2,400				
10th "	2,400				
Total	30,000	30,000	33,800	37,900	131,700



50X1-HUM

-3-

### 3. Alternative proposal:

- a. In order to cut down the cost and also the avoid dispersal of qualified labor, it is proposed that only one type of ship be constructed at each yard at one time. According to this plan, construction of Type I should begin in Wismar and of Type IV in Warnemunde
- b. By 1955, 22 ships can be constructed according to this plan.

50X1-HUM

## c. Plan for completion of 22 ships:

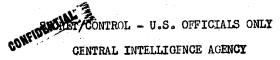
	Type I	Type II	Type III	Type IV
1953	3	400	•	•
1954	7	1	<b>=</b>	2
1955	1	l <sub>1</sub>	3	1

d. Costs per ship according to this plan are as follows:

	Type I	Type II	Type III	Type IV
1st ships	3,750	5,800	10,000	20,200
2nd ships	3,750	5 <b>,2</b> 00	9,000	17,750
3rd ships	3,290	4,800	8,200	15,750
4th ships	3,290	4,400		
5th ships	2,925	4,200	•	•
6th ships	2,925			
7th ships	2,625			
8th ships	2,625	e justi		
9th ships	2,390			
10th ships	2,390			
llth ships	1,940		7.	
Total	31,900	24,400	27,200	53,700

ONFIDENCE - U.S. OFFICIALS ONLY

50X1-HUM



50X1-HUM

-4-

5. a.

18 ships are to be constructed in the five-year

plan as follows:

8 ships of Type I 1,100 GRT 4 " "Type II 2,200 GRT 3 " "Type III 4,500 GRT 3 " "Type IV 6,500 GRT

18 ships

50,600 GRT

b. Intended dates of completion are as follows:

	Type I	Type II	Type III	Type IV
1951		•	•	wide
1952	•	-	•	•
1953	2	2	1	. dep
1954	3	1	1	2
1955	3	1	1	1
	8	4	3	3

c. The cost of these ships would be as follows:

	Type I	Type II	Type III	Type IV	Total
1951	1,500	<b>ea</b>	•	400	1,900
1952	7,400	•	•	8,100	15,500
1953	0با6و بلا	2,500	2,,700	22,200	145,0110
1954	1,560	13,450	13,700	22,600	51,310
1955	<b>~</b>	4,250	10,800	400	15,450
	25,100	20,200	27,200	53,700	126,200

- d. It is still undetermined whether the GDS will receive 18 or 22 ships under the Five-Year Plan. According to the preliminary estimates, the cost for 18 ships would be 126,200 TDM, and for 22 ships would be 137,200 TDM.
- 6. The Creation of a Central Construction Bureau for Shipbuilding:

50X1-HUM

a. At present, offices for planning, construction, research and development are distributed in a number of different localities. The repair program is dealt with in Berlin while the building program is handled in Warnemunde, Stralsund, and Rosslau, and the research office for towing experiments is located in Berlin-Koepenick. Thus the necessary cooperation, as well as coordination of work, among various shippards is lacking.

CONTROL - U.S. OFFICIALS ONLY

CONTROL - U.S. OFFICIALS ONLY

50X1-HUM

#### CENTRAL INTELLIGENCE AGENCY

-5-

- b. If the shipbuilding industry is to cope with the large fleet to be built, all offices involved must, in view of the acute shortage of qualified personnel, be centralized as quickly as possible.
- c. As a site for the centralization, only Rostock can be considered. As a shipping center it offers possibilities for dealing with the requirements of builders and, at the same time, offers the necessary contacts with the university and with the Engineers' School which is now under construction.
- d. It is, therefore, proposed that a central construction bureau, (Zentrales Konstructions Büro für den Schiffbau) be instituted at Rostock on 1 January 1951. The bureau should absorb the following offices:
  - 1) The Warnemande construction office (Koba)
  - The Berlin-Koepenick construction office
  - 3) The central office of standards
  - 4) The towing experimental stations (to be built)
- The proposed central construction bureau would establish a center for projects and planning tasks for the whole shipbuilding industry at Rostock.

50X1-HU		
	· · · · · · · · · · · · · · · · · · ·	

CONFERENCE / CONTROL - U.S. OFFICIALS ONLY